THE HON'BLE SRI JUSTICE C.V. NAGARJUNA REDDY

COMPANY APPLICATION No.1391 of 2004

in

COMPANY PETITION No.57 of 1999

ORDER:

This application is filed by the Official Liquidator on behalf of the company in liquidation for an order of attachment of a sum of Rs.25.00 lakhs payable by respondent No.2 to respondent No.1 towards arrears of rent due by it to the company in liquidation and to direct respondent No.2-garnishee to remit a sum of Rs.25.00 lakhs to the Official Liquidator.

Much water has flown after filing of this application. As per the calculation of the Official Liquidator, a sum of Rs.27,36,000/- is due and payable towards rent for the buildings belonging to the company in liquidation and utilized by respondent No.1 for running the college, that out of the said sum, a sum of Rs.19,35,000/- has been paid so far by respondent No.1 and that a sum of Rs.8,01,000/- is still due and payable by it.

Mr. B. Venkat Rama Rao, learned counsel for respondent No.1, stated that though his client has been contesting the claim of the Official Liquidator on the ground that the same is barred by limitation, without prejudice to his contention, it has so far paid Rs.19,35,000/- and that in order to put a quietus to the litigation, his client is willing to pay another sum of Rs.5.00 lakhs in full and final settlement of the claim of the Official Liquidator.

Mr. M. Anil Kumar, learned counsel for the Official Liquidator, has fairly left the issue to the Court.

Having regard to the facts and circumstances of the case, this Court feels that the offer made by respondent No.1 is fair and reasonable. Accordingly, the offer of respondent No.1 is accepted and it is permitted to pay the balance sum of Rs.5.00 lakhs within one month from today in full and final settlement of the claim of the Official Liquidator.

The application accordingly stands disposed of. As a sequel to disposal of this application, Company Application No.909 of 2002 stands disposed of as infructuous.

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C.V. NAGARJUNA REDDY, J

4th June, 2014
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